



HUNGER SOLUTIONS
NEW YORK UNITING POLICIES AND
PROGRAMS TO END HUNGER

Submitted
not
Speaking

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**Testimony of
Hunger Solutions New York, Inc.**

Submitted by Linda Bopp, Executive Director
in writing to the
Fiscal Committees of the NYS Legislature

on

The 2012-2013 Executive Budget Proposal for Human Services
February 13, 2012

Thank you, Senator DeFrancisco and Assemblyman Farrell for holding this important hearing and inviting us to share some insights with you regarding the Executive Budget proposal for Human Services.

Who we are

Hunger Solutions New York, formerly the Nutrition Consortium of New York State, is a statewide anti-hunger organization dedicated to alleviating hunger for all New Yorkers. Our perspective and expertise comes from managing the state and federally-funded Nutrition Outreach and Education Program (NOEP). NOEP is one of the largest food stamp outreach, education and application assistance programs in the country with outreach workers in 36 counties across the state. In addition to working to expand food stamp participation, Hunger Solutions New York staff works to expand participation in other federal nutrition programs, in particular, the National School Breakfast Program and the Summer Food Service Program.

It has been a critical decade for hunger and food insecurity across the country with incidence rising most notably since the 2008 economic downturn.

Hunger and food insecurity

Currently, nearly 1 in 5 New Yorkers and 1 in 4 households with children struggle to afford enough food for themselves and their families. Just 5 years ago, that number was 1 in 10. This statistic is derived from the Gallup-Healthways Well-Being Index. The specific food question that Gallup has been posing is very similar to one of the questions asked by the federal government in its annual survey of Americans' food security. Gallup asks: "Have there been times in the past twelve months when you did not have enough money to buy food that you or your family needed?" The national Food Research and Action Center counts "yes" answers as evidencing "food hardship."

The United States Department of Agriculture (USDA) has done similar research and has found that more than 12 percent of New Yorkers have low or very low food insecurity. Five percent fall into the very low food security category.

The impact of hunger and food insecurity

The results of food insecurity and hunger can be harmful to individuals and communities. In our communities, children go to school without breakfast which can lead to behavioral problems in school and poor educational outcomes. Working adults skip meals to pay for housing and energy which can lead to difficulty focusing on assigned tasks. Seniors struggle to afford food and medications. Malnutrition has been found to affect one in four older Americans living at home and is a factor in half of all hospital admissions and readmissions of older people.

According to a 2011 report by the Center for American Progress called "Hunger In America", nearly half of households seeking emergency food assistance reported having to choose between paying for utilities or heating fuel and food. Nearly 40 percent said they had to choose between paying for rent or a mortgage and food. More than a third reported having to choose between their medical bills and food.

The same report finds that hunger cost New York State more than \$9 billion in 2010. This amount is a combination of "lost economic productivity per year, more expensive public education because of the rising costs of poor education outcomes, avoidable health care costs, and the cost of charity to keep families fed." This does not include the cost of the Food Stamp Program. The Food Stamp Program is a cost effective and efficient way to both meet the needs of hungry New Yorkers and help New York's economy.

The Food Stamp Program

The Food Stamp Program (federally named SNAP, the Supplemental Nutrition Assistance Program) is our nation's primary nutrition assistance program, stretching the monthly food budgets of all who meet program guidelines. It has been our nation's first line of defense against hunger for more than 70 years and has been in its current form for nearly 35 years. Monthly benefits are automatically deposited in participants' accounts. Using an electronic benefits transfer (EBT) card, participants are allowed to buy most foods and food-producing seeds and plants from many local stores, bodegas and farmers' markets. Eligibility and benefit amounts vary based on household size, income, expenses and other factors.

Currently, more than 3 million New Yorkers feed their family each month with food stamp benefits, bringing billions of federal dollars into local economies. Still, the USDA estimates that only 68% of potentially eligible individuals are enrolled. Governor Cuomo highlighted this gap in his annual State of the State Address, estimating that the state is missing out on more than \$1 billion in unclaimed federal benefits.

The Food Stamp Program: A Great Investment with Great Human and Financial Return on Investment (ROI)

During the American Recovery and Reinvestment Act funding debate, food stamp benefits were determined to be the best economic stimulus (Moody's www.Economy.com 1/22/09) because the funds were immediately spent in the community at grocery stores, bodegas and farmers' markets. Moreover, every \$5 in food stamp benefits generates \$9.20 in economic activity (USDA).

According to the Center on Budget and Policy Priorities, the Supplemental Nutrition Assistance Program (known as the Food Stamp Program in New York State) was second only to the Earned Income Tax Credit in helping Americans get out of poverty in 2010. Further, according to USDA, in New York State, SNAP made the largest percentage point difference in lifting households above 101 percent of the federal poverty level.

Nutrition Outreach and Education Program: A Great Investment with Great Human and Financial ROI

The Nutrition Outreach and Education Program (NOEP), created in NYS Public Health Law in 1987, is one of the three largest food stamp outreach and education programs in the country. Administered by Hunger Solutions New York under a contract with OTDA, NOEP conducts outreach and education for the Food Stamp, School Breakfast, and Summer Food Service Programs. In addition, it provides application assistance for the Food Stamp Program and resolves barriers to participation for applicants. The program currently operates in 36 counties (5 NYC counties and 31 ROS) and 45 service areas (14 in NYC and 31 in ROS) through contracts between Hunger Solutions New York and community-based organizations.

The Executive Budget proposal for fiscal year 2012-2013 includes a \$1 million increase in funding for NOEP. Since the state investment leverages federal money, this could result in as much as \$2 million in additional food stamp program outreach, education and application assistance in NYS. This is an extremely wise investment as it will alleviate hunger and bring millions of federal dollars into local communities. We are thrilled to see this increase in investment in Food Stamp Program outreach efforts because we know it will have a significant impact.

Financial Reasons to Invest in NOEP:

- Each State dollar invested in Food Stamp Program outreach is matched with a federal dollar. The fiscal year 2011-2012 state investment in NOEP is \$1,711,000. Of this, \$150,000 is reserved for child nutrition outreach and is therefore not matched. The remainder of \$1,561,000 is matched with federal outreach funds for food stamp outreach only.
- It costs \$64 state dollars for each household that receives food stamp benefits as a result of NOEP assistance.
- Based on average monthly benefits, \$84.4M in federal food stamp benefits were brought into NYS as a direct result of NOEP efforts for the year ending 6/30/11; a 54-fold ROI. Every state dollar invested in NOEP results in \$42 in federal food stamp benefits.

Administrative Reasons to Invest in NOEP:

- NOEP has been an "on-the-ground" partner to OTDA in implementing several of OTDA's FSP access and eligibility initiatives over the years including the Working Family Food Stamp Initiative, MyBenefitsNY.gov and the online application. In Fall of 2011, NOEP played a critical outreach role after Hurricane Irene and Tropical Storm Lee; absorbing some of the extra burden placed on local food stamp offices in educating those impacted by the storms.
- NOEP takes administrative burden off an overwhelmed, backlogged LDSS/HRA system on a daily basis in numerous ways:
 - Thousands of phone calls and pre-screenings are diverted from the LDSS/HRA system and handled by NOEP.

- Applications completed with NOEP assistance are easier for the LDSS/HRA staff to process because they are complete and accurate; in fact, we estimate that approximately 87% of NOEP-completed applications are approved. This also helps with FSP timeliness requirements.
- NOEP assists people to prepare for their LDSS/HRA interview so that the interview can be completed efficiently and effectively.
- Performing well against USDA timeliness and error rate requirements are always a goal. NYS has often received bonus money for low error rates. NOEP contributes to this success by catching systematic problems at local offices and resolving them before they turn into reportable errors.

Programmatic Reasons to Invest in NOEP:

- Hunger Solutions New York has the infrastructure and expertise (training, technical assistance and contract management) to immediately respond to an increase in outreach, a major goal of the Cuomo Administration.
- NOEP Coordinators are the best trained in the country (other than LDSS/HRA staff) and could assist as new initiatives are introduced. They can train other CBOs, provide technical assistance, and generally assist to take even more burden off the LDSS/HRA offices.
- The rising need for food stamps has resulted in an overburdening of local food stamp offices across the state. NOEP outreach workers ensure complete and accurate applications alleviating processing time by food stamp workers.
- During the last NOEP RFP process, we funded 37 of the 65 applications received. Many of those not funded were not funded only due to a lack of funds.
- Expanding "NOEP Initiatives" such as the focus on returning veterans and military families or the grocers' initiative would quickly expand outreach.
- NOEP has extensive experience with the populations being targeted by USDA for food stamp outreach. In particular, NOEP outreach campaigns target working families, seniors, and other low-income households, including Spanish language outreach.
- NOEP seeks to end child hunger, a commitment made by Governor Cuomo in his 2012 State of the State address. Forty percent of all food stamp recipients in New York State are children. In addition, NOEP makes food assistance referrals for families with children to free and reduced-price school meals and free summer meals.

Hunger Solutions New York has working relationships with organizations throughout the state whose resources and networks can be leveraged for this effort.

We hope that through explaining the depth of hunger and food insecurity across New York State, the benefits of the Food Stamp Program and the positive impact the Nutrition Outreach and Education Program has across the state, you too will see the Governor's increase in funding for the program as a wise investment.

Thank you very much for your time and attention to this issue. Please feel free to use Hunger Solutions New York as a resource during budget negotiations and other hunger related deliberations in the legislature. We look forward to working with you toward the goal of alleviating hunger for all New Yorkers.